

## Annual Enrollment Is Coming Soon!

ENROLLMENT IS RIGHT AROUND THE CORNER—OCTOBER 1 THROUGH OCTOBER 31. YOUR MEGAFLEX BENEFIT PROGRAM INCLUDES MEDICAL, DENTAL AND LIFE INSURANCE AS WELL AS TWO FLEXIBLE SPENDING ACCOUNTS TO ENRICH YOUR LIFE WHILE PROTECTING YOUR FUTURE AND YOUR LOVED ONES. NOW IS THE TIME TO START THINKING ABOUT YOUR AND YOUR FAMILY'S NEEDS AND TO PREPARE TO MAKE CHANGES TO YOUR BENEFIT PLAN SELECTIONS. SEE INSIDE FOR DETAILS.

# megaflex



## we are the county of los angeles

You are a part of what makes the County of Los Angeles a great place to live and work—one of more than 100,000 employees dedicated to serving the people of the County of Los Angeles. Your *MegaFlex* benefit program is designed to give you the security of knowing we've got you covered—so you have the freedom to focus on what matters most in your work and home life.

### Introducing mylacountybenefits.com

As part of the new communication program we began last year, we're launching a new benefit Web site on October 1, 2009 to give you and your family access to information whenever and wherever you need it. The site includes access to all of the information you receive in your annual enrollment packet and much more and will serve as the gateway to [www.buckhrsolutions.com/countyla](http://www.buckhrsolutions.com/countyla), the enrollment Web site you used in the past. Online tutorials provide step-by-step audio-visual presentations to educate you on your *MegaFlex* benefits and how to get the most out of them. Online calculators will help you determine your health care or dependent care costs and how much you may want to set aside in a Health Care or Dependent Care Spending Account to reduce your out-of-pocket costs each year.

### mylacountybenefits.com is arranged in three sections:

#### my benefits

- Detailed benefit summaries to help you use your plans to the fullest
- Facts on eligibility and enrollment to guide you at enrollment time and when adding dependents
- Downloadable *MegaFlex* Summary Plan Description
- Contact information for all health plans
- Online resources to help you find doctors and dentists in your plan networks

#### my health

- Links and information on wellness programs
- Up-to-date calendars for wellness fairs and Webinars
- Archives of the County's new *For Your Benefit* wellness newsletter

#### my tools

- Access to the benefit enrollment system
- Calculators to help you figure out how much to save in your Health Care and Dependent Care Spending Accounts (FSAs)
- Audio-visual tutorials on:
  - Enrollment at annual enrollment and when you have a qualified change in status
  - Flexible spending accounts
  - Highlights of your *MegaFlex* plans

Best of all, the site gives you access to detailed information and tools seven days a week, 24 hours a day. You'll always have the information you need at your fingertips.

If you do not receive your enrollment packet by the second week in October, call the Benefits Hotline at 213-388-9982 to request a duplicate packet. Or access and download the enrollment materials on the enrollment Web site at [mylacountybenefits.com](http://mylacountybenefits.com).

# 2010 annual enrollment: what you need to know

In 2010, you'll continue to have access to the same *MegaFlex* benefit plans you have today. But it's still important to review your options. Benefits are not "one size fits all"—your needs may be different than those of your co-workers, and can change over time. Read over the information provided here and start thinking about whether it's time to make a change.

## Benefit Costs and Changes for 2010

Be sure to review the Highlights Guide and your enrollment worksheet in your annual enrollment packet for information on any benefit changes, monthly costs, and the *MegaFlex* monthly benefit allowance for 2010.

## Get Ready To Enroll: What To Think About Now

Here are some things to think about when you decide whether it is time for a change.

### How much can you afford to spend on medical care, and how much flexibility do you need to go to the provider or health care facility of your choice?

Generally, the more doctors and hospitals you have to choose from, the greater your share of the cost will be.

- Your **HMO medical plan options** and "**HMO-style**" **dental plan options** don't charge an annual deductible, and many services are offered at no charge or at a low copay. In addition, the monthly cost of coverage (the "premium") is significantly lower under an HMO than it is under a PPO. However, under an HMO, you have less flexibility to see the provider of your choice. For example, under the Kaiser HMO, you are limited to Kaiser hospitals, outpatient facilities, and health care professionals. Under the Anthem Blue Cross CaliforniaCare HMO, you must select a Primary Care Physician (PCP) to manage your care.
- Under your **PPO medical plan option** and "**PPO-style**" **dental plan option**, you pay an annual deductible and higher copays, but you have the flexibility to see any doctor, specialist or dentist of your choice, even if he or she is not in the PPO network.



Under your **POS medical plan option**, you choose among three levels of coverage—medical group, network and out of network—each time you access health care. Using your PCP and referrals within his or her medical group is the least expensive. However, you can use any provider in the network without a referral at a higher cost. You may also use providers outside the network and receive a lower amount of coverage.

### What are your health care needs?

Whether an HMO or a PPO is best for you may depend on your health care needs. A person who is generally healthy may only need routine care, while someone with a health condition may require several doctor visits, special treatments, and prescription medications. Consider the plans' coverage levels and flexibility in light of your own needs and those of your family. You'll want to consider their health and other insurance needs for 2010 as well as your own. For example, if you have young children, you may want to find out if immunizations are covered under the plans, and how much you'll pay each time you take them to a pediatrician. If you have teenagers, you may want to look at orthodontia coverage.

**Could you save money by enrolling (or reenrolling) in a Flexible Spending Account (FSA)?** The County offers two FSAs to help you save money. Read *Shop*

## New Dependent Social Security Number Requirement

During annual enrollment, be prepared to provide Social Security numbers for your family members if you make changes to your medical plan or add dependents. This is so your medical plan can comply with new federal requirements to report to the Centers for Medicare & Medicaid Services (CMS).

## MegaFlex 2010 Benefits at a Glance

### Medical

- Kaiser
- Anthem Blue Cross CaliforniaCare HMO
- Anthem Blue Cross PLUS POS
- Anthem Blue Cross Prudent Buyer PPO
- Anthem Blue Cross Catastrophic Plan

### Dental

- SafeGuard HMO-style plan
- DeltaCare HMO-style plan
- Delta Dental PPO-style plan

### Survivor Income Benefit Coverage (Retirement Plan E members only)

### Accidental Death & Dismemberment (AD&D) Insurance

### Disability

- Short Term Disability (STD)
- Long Term Disability (LTD)

### Medical Coverage Protection (Long-Term Disability Health Insurance)

### Elective Annual Leave

### Flexible Spending Accounts (FSAs)

- Health Care Spending Account
- Dependent Care Spending Account

### Optional Life Insurance\*

- Optional Group Variable Universal Life (GVUL) Insurance
- Optional Dependent Term Life

\* You pay for both types of optional life insurance with after-tax dollars. Your premiums for the other benefits shown in this chart are generally paid with pre-tax (before-tax) dollars.

*Smart, Save More* on page 4 and consider whether enrolling in an FSA for 2010 is right for you. Remember, you must reenroll in your *MegaFlex* FSAs each annual enrollment period. FSAs do not roll over as most other benefit selections do.

# welcome to annual enrollment 2010

Welcome to annual enrollment for your County of Los Angeles *MegaFlex* flexible benefits program. This is a great time to explore all of the County's medical, dental, and life insurance programs and choose those that best meet your and your family's needs.

## What's Changing in 2010

Your *MegaFlex* plan choices are not changing for 2010. However, due to continued increases in the cost of health care, monthly medical premiums, and most dental premiums, will increase next year. For more details on "What's Changing" next year, see your *Medical and Dental Plans Comparison Chart* along with your *Personalized Enrollment Worksheet* for premium rates for 2010.

## When to Enroll

Annual enrollment for County of Los Angeles employees is **October 1 through 31, 2009**. Your enrollment packet includes information you need to enroll:

- **A *Personalized Enrollment Worksheet*** that shows your current plan elections, monthly benefit allowance and premium rates for 2010. It also includes the employee number and PIN that you'll need to enroll.
- **This *Annual Enrollment Highlights Guide***, with an overview of your enrollment options and instructions on how to enroll.
- **A *Medical and Dental Plans Comparison Chart*** that provides details on your medical and dental plan options, allowing you to compare specific plan features such as deductibles and out-of-pocket costs.

We encourage you to take time to explore the enclosed enrollment communications and consider which benefit plans are right for you in the coming year.

We wish you and your family a healthy 2010.



## introducing mylacountybenefits.com

The mylacountybenefits.com Web site will help you make informed benefit choices and provide useful tools and detailed information to use as you prepare to enroll and throughout the year. It will also serve as your new gateway to the online enrollment Web site formerly found at [www.buckhrsolutions.com/countyla](http://www.buckhrsolutions.com/countyla). You'll find login instructions on the next page.

### Tools you can use

The Web site includes access to all of the information you receive in your annual enrollment packet and much more. Online tutorials provide step-by-step audio-visual presentations to educate you on your *MegaFlex* benefits and how to get the most out of them. Online calculators will help you determine your health care or dependent care costs and how much you may want to set aside in a Health Care or Dependent Care Spending Account to reduce your out-of-pocket costs each year.

mylacountybenefits.com is arranged in three sections:

### my benefits

- Detailed benefit plan information that can guide you through your enrollment
- Facts on eligibility when adding dependents
- Downloadable *MegaFlex* Summary Plan Description (SPD)
- Contact information for all health plans
- Links to benefit documents
- Resources to help you find doctors and dentists in your health plan networks

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  - Flexible Spending Accounts
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Best of all, mylacountybenefits.com gives you access to detailed information and tools seven days a week, 24 hours a day. You'll always have the information you need at your fingertips.



# it's time to enroll



## Don't Miss Your Chance to Enroll October 1 through 31, 2009!

If you don't enroll by October 31, you'll have to wait until October 2010 to make any changes (unless you experience a qualified change in status—for example, you get married or have a child; please refer to the *MegaFlex* Summary Plan Description (SPD) for more details). If you have an FSA or buy elective annual leave days, you **MUST** reenroll to participate in 2010.

## ***MegaFlex* Summary Plan Description**

This packet often refers you to the *MegaFlex* Summary Plan Description (SPD). You received a hard copy of the SPD in last year's annual enrollment packet or in your new hire packet. If you do not have your copy, you may download one at [mylacountybenefits.com](http://mylacountybenefits.com).

Annual enrollment is the time to review your benefit choices and consider whether they're right for you or if it's time for a change. Perhaps your or your family's medical or dental care needs changed or you added a dependent and you want to explore your coverage options. Or perhaps you want to consider enrolling in a Flexible Spending Account (FSA). This guide and the enclosed materials are designed to help you understand your options, compare your costs, and decide which benefits are right for you and your family.

## Enrolling is easy! Follow these simple steps.

# 1

**Read your enrollment materials.** Your *MegaFlex* benefit program offers a range of benefit plans and choices. This is the time to consider your options in light of your and your family's needs. **If you choose to keep the same plans, you do not have to enroll, unless you use a Flexible Spending Account or purchase elective annual leave days, both of which require reenrollment each year.**

# 2

**Consider how you might save money using an FSA.** FSAs are an easy way to save on eligible health care and dependent care expenses. Use the Health Care Cost and FSA calculators in the "my tools" section of [mylacountybenefits.com](http://mylacountybenefits.com) to help you decide. Plus, if you enroll in a Dependent Care Spending Account, the County contributes up to \$375 monthly depending on your annual base pay. Make sure you read all the details starting on page 38 of the *MegaFlex* SPD before you sign up.



## Adding dependents?

If you are adding dependents to your coverage in 2010, the County must receive proof of their dependent status within 10 calendar days from the date you enroll. Refer to your *MegaFlex* SPD for detailed information about documentation that proves dependent status. You will also need to provide a Social Security number for each new dependent.\*

**IMPORTANT:** If your documentation is not received by the County within 10 calendar days of your enrollment, your dependents will not be covered and you will not be allowed to add them until the next year.



## 3

**Enroll.** After you determine which options are right for you, gather the information you'll need. Now, it's time to enroll! Be sure you have your *Personalized Enrollment Worksheet* with your employee number and PIN. You can enroll:

- **Online at [mylacountybenefits.com](http://mylacountybenefits.com)**

You'll use the same employee number and PIN (found on your *Personalized Enrollment Worksheet*) you've always used to log in to [mylacountybenefits.com](http://mylacountybenefits.com). You can use the online enrollment tutorial and other tools to help you make your choices and then follow the instructions provided online. Be sure to click "CONFIRM" and print your 2010 confirmation statement before logging off.

- **By phone at 1-888-822-0487**

Follow the recorded instructions. Don't hang up until you hear "Your benefit elections have been confirmed and recorded." You will receive a confirmation statement in the mail within seven days. If you don't receive your statement, call the Benefits Hotline at 1-213-388-9982.

**Note:** If you want to enroll in or increase your Optional Group Variable Universal Life (GVUL) Insurance coverage (described on page 7), you must access the MetLife link on the home page of [mylacountybenefits.com](http://mylacountybenefits.com) or call 1-800-846-0124.

## 4

**Review your confirmation statement.** When you have your confirmation statement, review it carefully to ensure that all information is correct. You should file this statement, along with other important benefit information, so that you have it for future reference.

### WAIVING COVERAGE?

If you seek to waive medical coverage, see "Waiving Medical Coverage" in your *MegaFlex* SPD to learn if you qualify.

### **\*New Dependent Social Security Number Requirement**

During annual enrollment, be prepared to provide Social Security numbers for your family members if you make changes to your medical plan or add dependents. This is so your medical plan can comply with new federal reporting requirements to the Centers for Medicare & Medicaid Services (CMS).

# important notice from the county of los angeles about your prescription drug coverage and medicare

Please read this notice carefully and keep it where you can find it.

This notice provides information about your current prescription drug coverage under the County of Los Angeles (County) *MegaFlex* Plan, the prescription drug coverage that will be provided under *MegaFlex* as of January 1, 2010, and prescription drug coverage available for individuals with Medicare. It also explains the options you have under Medicare prescription drug coverage and can help you decide whether you want to enroll in this coverage. If you are considering enrolling in a Medicare prescription drug plan, you should compare your current coverage, including which drugs are offered and associated costs for those drugs, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. At the end of this notice is information about where you can get help to make decisions about your prescription drug coverage.

There are two important facts you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare through Medicare prescription drug plans and Medicare Advantage Plans that offer prescription drug coverage. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans may offer more coverage for a higher monthly premium.

2. The County determined that the prescription drug coverage currently offered under Kaiser HMO; Blue Cross CaliforniaCare HMO, Plus POS, Prudent Buyer PPO, and Catastrophic plans; and the coverage that will be offered under these plans as of January 1, 2010, is on average for all plan participants who participate in any of these health plans expected to pay out as much as the standard Medicare prescription drug coverage will pay, and that such coverage is considered Creditable Coverage. Because all of the health plans available under *MegaFlex* provide Creditable Coverage, you may elect any of these coverage options for the 2010 plan year and not pay a higher premium (a penalty) if you decide to enroll in a Medicare prescription drug plan on a later date, provided that you do not experience a 63-day break in coverage (as discussed in more detail below).

## When Are You Eligible to Enroll in a Medicare Prescription Drug Plan?

You may enroll in a Medicare prescription drug plan when you first become eligible for Medicare and thereafter during each calendar year from November 15th through December 31st.

If you lose your Creditable Coverage under *MegaFlex* through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period to enroll in a Medicare prescription drug plan.

## What Happens to Your Current Creditable Coverage if You Decide to Enroll in a Medicare Prescription Drug Plan?

If you participate in Kaiser or any of the Blue Cross plans, you may: (1) keep your existing coverage without enrolling in a Part D plan; (2) keep your existing coverage and enroll in a Part D plan as a supplement to that coverage; or (3) drop your existing coverage and enroll in a Part D plan. If you elect Medicare Part D coverage as a supplement to your existing coverage, your current coverage will not be affected. Alternatively, if you elect Medicare Part D coverage through Kaiser and also assign Medicare Parts A and B to Kaiser, you will be placed in the Kaiser Sr. Advantage Plan, which will coordinate with Medicare.

If you do decide to join a Medicare drug plan and drop your current coverage, you and your dependents would be able to reenroll in the future during a *MegaFlex* open enrollment period.

Please contact the County of Los Angeles Benefit Plan Administrator for more information about what happens to your coverage if you enroll in a Medicare prescription drug plan.

## When Will You Pay a Higher Premium (a Penalty) to Join a Medicare Prescription Drug Plan?

It is important to note that if you drop or lose your coverage with the County and, although you are eligible to do so, you do not enroll in a Medicare prescription drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to enroll in a Medicare prescription drug plan on a later date.

If you go 63 continuous days or longer without Creditable Coverage, when you enroll in Medicare prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have such coverage. For example, if you go nineteen months without Creditable Coverage, your premium under Medicare may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) for as long as you have Medicare prescription drug coverage. Additionally, you may have to wait until the beginning of the next enrollment period for Medicare prescription drug plans (i.e., November 15th) to enroll in the Medicare coverage.

## For More Information About This Notice or Your Current Prescription Drug Coverage...

Please contact the County of Los Angeles Benefit Plan Administrator at the address listed on this page or the Benefits Hotline at the phone number listed on this page for further information.

**NOTE:** You will receive this notice at other times in the future indicating that you may enroll in Medicare prescription drug coverage. For example, you will receive this notice prior to the next annual enrollment period during which you may enroll in Medicare coverage and you will also receive a notice if your current prescription drug coverage with the County changes. You may request a copy of this notice by contacting the County of Los Angeles Benefit Plan Administrator at the address or phone number listed on this page.

## For More Information About Your Options Under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. If you are eligible or Medicare, you will get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. For more information about Medicare prescription drug plans:

- Visit [www.medicare.gov](http://www.medicare.gov),
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the Medicare & You handbook for their telephone number) for personalized help, or
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for Medicare prescription drug coverage is available. Information about this extra help is available from the Social Security Administration (SSA) online at [www.socialsecurity.gov](http://www.socialsecurity.gov), or you may call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember to keep this notice. If you enroll in a Medicare drug plan, you may be required to provide a copy of this notice when you join to show that you maintained Creditable Coverage and that you are not required to pay a higher premium amount for coverage (a penalty).

Date: **September 15, 2009**

Entity providing this Notice:

**County of Los Angeles**

Contact: **Benefit Plan Administrator**

Address: **3333 Wilshire Boulevard, Suite 1000, Los Angeles, CA 90010**

Benefits Hotline: **1-213-388-9982**



# get help to get healthy

The County cares about your health and wellness. We want to help you make healthy lifestyle changes and reduce health risk factors.

The benefits described here are available now through December 31, 2009—so don't wait to take advantage of them! Some features may change in 2010. Watch for details from your medical plan.

## Kaiser's Wellness Program

Sometimes it takes a little more than just an apple a day. With HealthWorks by Kaiser Permanente, you get tools to help you handle whatever life brings your way. Kaiser provides you with valuable information and resources to help you live a healthier life.

### HealthMedia Healthy Lifestyle Programs Available

- **Succeed:** A total health assessment that provides a personalized plan to improve your well-being and the quality of your life.
- **Care for Your Health:** Helps you manage symptoms, medication, and treatment for your ongoing health condition.

- **Care for Pain:** Helps you manage chronic pain.
- **Breathe:** Gives you customized strategies to quit smoking.
- **Relax:** Helps you prevent, relieve, and manage stress.
- **Balance:** Helps you reach your weight-loss goals.
- **Nourish:** Teaches you how to make smart food choices.
- **Care for Diabetes:** Helps you better manage your diabetes.
- **Overcoming Insomnia:** Helps you explore ways to sleep better and manage symptoms of insomnia.
- **Overcoming Depression:** Helps you manage your depression and learn to lead a happier life.

For more information or to sign up, go to [my.kp.org/ca/countyofla](http://my.kp.org/ca/countyofla).

## Anthem Blue Cross's Wellness Program

It's time to get the most from your health care benefits! Anthem Blue Cross provides you with information and resources to help you live a healthier life—and rewards you along the way. If you or a dependent 18 years of age or older completes the online health assessment (see below), you are eligible for a \$50 gift card.

### Take the Online Health Assessment

As an Anthem Blue Cross member, you can complete the health assessment online by following these simple steps:

- **Step 1:** Go to [www.anthem.com/ca/countyoflosangeles](http://www.anthem.com/ca/countyoflosangeles).
- **Step 2:** Click on the "Take Your HRA Now..." link located in the middle of the page.
- **Step 3:** Log in, or register as a new user if this is your first time visiting the site. After you log in, you will be redirected to the Member Access page.





## The County of Los Angeles

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## shop smart, save more

Don't miss your chance to enjoy extra savings on health care and dependent care expenses in 2010! When you enroll in a Flexible Spending Account (FSA), you never pay federal or state taxes on the money you contribute. Depending on your tax bracket, you can save 12 to 42 cents on every dollar you spend in eligible expenses.

*MegaFlex* offers two types of FSAs: a Health Care Spending Account and a Dependent Care Spending Account. Here's how they work:

- You enroll in the Health Care Spending Account and/or Dependent Care Spending Account during annual enrollment. Remember, you must reenroll in your FSAs each annual enrollment period. FSAs do not roll over as other benefit selections do. When you enroll, you decide how much to contribute to each account. You may contribute a maximum of \$400 a month to each account in 2010. The County will make a nontaxable monthly contribution to your Dependent Care Spending Account, depending on your annual base pay.
- Your contributions are taken out of each paycheck on a before-tax basis, beginning with your first paycheck in January.
- You pay eligible health care and/or dependent care expenses and submit a claim form to the FSA administrator.
  - **Eligible health care expenses** are those expenses that are not covered or not fully covered by your health plan. These include medical and dental deductibles and copayments; routine physical exams; orthodontia; vision care (including prescription eyeglasses, contact lenses and solution, laser eye surgery, and nonprescription reading glasses); over-the-counter medications; hearing aids and tests; and smoking cessation programs, nicotine patches and nicotine gum.
  - **Eligible dependent care expenses** for your children and dependent adults who are incapable of self-care include child and adult day care providers at your home; nursery schools and preschools (if the cost of schooling cannot be separated from the cost of care); properly licensed day care centers that care for six or more children (including summer day camps); child and adult care outside the home; and transportation of a qualifying individual by the care provider to or from the place at which care is provided.
- The FSA administrator reimburses you from your account. You effectively pay your expenses with tax-free dollars.

### For More Information

To learn more about how the spending accounts work and to find out how much the County will contribute to your Dependent Care Spending Account in 2010 if you enroll, read last year's *MegaFlex* Summary Plan Description (SPD). You may also download the SPD from the Department of Human Resources Web site at <http://dhr.lacounty.info>.

*This newsletter is printed on recycled paper to support the County's commitment to the environment.*

